

**CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2006**

	October-06					September-06					Current FYTD		Prior Year FY06		3 Years Ended	5 Years Ended
	Market Value	Allocation Actual	Policy(1)	Returns-Month Gross	Net	Market Value	Allocation Actual	Policy(1)	Returns-Quarter Gross	Net	Returns Gross	Net	Returns Gross	Net	6/30/2006	6/30/2006
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
Los Angeles Capital	20,296,559	1.5%	1.5%	4.36%	4.34%	19,450,087	1.5%	1.5%	1.66%	1.60%	6.09%	6.01%	11.36%	11.12%	N/A	N/A
Total Structured Growth	20,296,559	1.5%	1.5%	4.36%	4.34%	19,450,087	1.5%	1.5%	1.66%	1.60%	6.09%	6.01%	11.36%	11.12%	12.01%	-0.32%
<i>Russell 1000 Growth</i>				3.52%	3.52%				3.94%	3.94%	7.59%	7.59%	6.12%	6.12%	8.35%	-0.76%
<i>Structured Value</i>																
LSV	22,179,391	1.7%	1.5%	3.49%	3.46%	21,431,212	1.6%	1.5%	5.01%	4.90%	8.67%	8.53%	15.51%	15.05%	21.14%	12.22%
Russell 1000 Value				3.27%	3.27%				6.22%	6.22%	9.70%	9.70%	12.10%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>																
Los Angeles Capital	42,437,185	3.2%	3.0%	4.02%	4.00%	38,796,327	2.9%	3.0%	3.77%	3.71%	7.94%	7.86%	11.83%	11.58%	N/A	N/A
Russell 1000				3.40%	3.40%				5.06%	5.06%	8.62%	8.62%	9.08%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																
Westridge	42,796,532	3.2%	3.0%	3.31%	3.29%	41,427,217	3.1%	3.0%	5.82%	5.75%	9.32%	9.22%	9.07%	8.77%	N/A	N/A
S&P 500				3.26%	3.26%				5.67%	5.67%	9.11%	9.11%	8.63%	8.63%	N/A	N/A
<i>130/30</i>																
State Street	14,935,799			3.78%	3.77%	14,391,212			5.80%	5.78%	9.80%	9.77%	9.60%	9.51%	11.47%	2.62%
Total 130/30	14,935,799	1.1%	1.0%	3.78%	3.77%	14,391,212	1.1%	1.0%	5.80%	5.78%	9.80%	9.77%	9.60%	9.51%	11.47%	2.62%
S&P 500				3.26%	3.26%				5.67%	5.67%	9.11%	9.11%	8.63%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	142,645,466	10.6%	10.1%	3.74%	3.72%	135,496,055	10.2%	10.2%	4.57%	4.49%	8.48%	8.38%	11.24%	10.95%	13.63%	3.95%
S&P 500				3.26%	3.26%				5.67%	5.67%	9.11%	9.11%	8.63%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	47,664,687	3.5%	3.4%	5.53%	5.47%	45,187,592	3.4%	3.4%	0.17%	-0.01%	5.71%	5.46%	14.39%	13.58%	18.20%	7.84%
Russell 2000 + 200bp				5.92%	5.92%				0.94%	0.94%	6.92%	6.92%	16.86%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	47,664,687	3.5%	3.4%	5.53%	5.47%	45,187,592	3.4%	3.4%	0.17%	-0.01%	5.71%	5.46%	14.39%	13.58%	18.20%	7.86%
Russell 2000				5.76%	5.76%				0.44%	0.44%	6.22%	6.22%	14.58%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY																
<i>Large Cap - Active</i>																
Capital Guardian	42,789,830	3.2%	3.1%	3.77%	3.73%	41,217,235	3.1%	3.1%	5.15%	5.02%	9.11%	8.94%	28.68%	28.07%	20.99%	6.90%
LSV	41,761,868	3.1%	3.1%	3.77%	3.74%	40,223,984	3.0%	3.1%	6.35%	6.24%	10.35%	10.21%	27.59%	27.09%	N/A	N/A
Total Large Cap - Active	84,551,698	6.3%	6.2%	3.77%	3.73%	81,441,219	6.2%	6.2%	5.74%	5.62%	9.72%	9.57%	28.21%	27.66%	21.92%	12.63%
MSCI EAFE - 50% Hedged				3.38%	3.38%				4.87%	4.87%	8.42%	8.42%	26.72%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>																
Lazard	10,035,454	0.7%	0.8%	4.96%	4.90%	9,568,323	0.7%	0.8%	0.91%	0.72%	5.92%	5.66%	24.57%	23.65%	28.06%	N/A
Citigroup Broad Market Index < \$2BN				3.40%	3.40%				1.53%	1.53%	4.98%	4.98%	29.28%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>																
Vanguard	10,240,804	0.8%	0.8%	3.69%	3.66%	9,878,804	0.7%	0.8%	3.83%	3.73%	7.67%	7.52%	29.77%	29.24%	32.39%	N/A
Citigroup Broad Market Index < \$2BN				3.40%	3.40%				1.53%	1.53%	4.98%	4.98%	29.28%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	104,827,956	7.8%	7.8%	3.87%	3.83%	100,888,346	7.6%	7.8%	5.05%	4.93%	9.11%	8.95%	27.95%	27.35%	23.83%	8.67%
MSCI EAFE - 50% Hedged				3.38%	3.38%				4.87%	4.87%	8.42%	8.42%	26.72%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	227,921,842	17.0%	16.9%	0.92%	0.90%	225,783,771	17.1%	17.0%	4.50%	4.45%	5.47%	5.39%	-0.70%	-0.90%	7.36%	8.59%
Lehman Aggregate				0.66%	0.66%				3.81%	3.81%	4.49%	4.49%	-0.81%	-0.81%	2.05%	4.97%
<i>Core Plus/Enhanced</i>																
Clifton Group	52,292,199	3.9%	3.9%	0.52%	0.52%	52,079,496	3.9%	3.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prudential	52,051,610	3.9%	3.9%	1.05%	1.03%	51,498,140	3.9%	3.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	104,343,809	7.8%	7.8%	0.78%	0.77%	103,577,636	7.8%	7.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				0.66%	0.66%				3.81%	3.81%						
<i>Index</i>																
Bank of ND	99,928,411	7.4%	7.4%	0.62%	0.61%	99,306,469	7.5%	7.4%	3.12%	3.10%	3.76%	3.73%	-1.08%	-1.14%	1.14%	4.90%
Total Index	99,928,411	7.4%	7.4%	0.62%	0.61%	99,306,469	7.5%	7.4%	3.12%	3.10%	3.76%	3.73%	-0.96%	-1.02%	1.09%	4.62%
Lehman Gov/Credit (3)				0.63%	0.63%				3.91%	3.91%	4.57%	4.57%	-1.52%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>																
Wells Capital (formerly Strong)	227,945,899	17.0%	16.9%	0.98%	0.96%	225,722,804	17.0%	17.0%	4.65%	4.60%	5.68%	5.60%	-1.89%	-2.11%	2.63%	N/A
Lehman US Credit Baa				0.89%	0.89%				4.80%	4.80%	5.73%	5.73%	-2.37%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	660,139,961	49.1%	49.0%	0.87%	0.86%	654,390,680	49.4%	49.2%	4.33%	4.28%	5.24%	5.18%	-1.19%	-1.35%	2.25%	5.52%
Lehman Aggregate (4)				0.66%	0.66%				3.81%	3.81%	4.49%	4.49%	-0.81%	-0.81%	1.84%	5.28%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)																
Northern Trust Global Investments	135,094,207	10.1%	10.2%	-0.13%	-0.13%	135,265,251	10.2%	10.3%	3.52%	3.51%	3.38%	3.37%	-1.49%	-1.53%	N/A	N/A
Western	135,597,462	10.1%	10.2%	0.01%	0.01%	135,529,802	10.2%	10.3%	3.85%	3.85%	3.86%	3.86%	-1.94%	-1.94%	N/A	N/A
TOTAL TIPS	270,691,669	20.1%	20.5%	-0.06%	-0.06%	270,795,053	20.5%	20.5%	3.68%	3.68%	3.62%	3.61%	-1.72%	-1.74%	N/A	N/A
LB US TIPS Index				-0.17%	-0.17%				3.63%	3.63%	3.46%	3.46%	-1.64%	-1.64%	N/A	N/A
REAL ESTATE																
<i>JP Morgan</i>																
NCREIF Total Index	75,354,153	5.6%	5.6%	-0.13%	-0.23%	75,452,197	5.7%	5.6%	0.88%	0.57%	0.75%	0.33%	N/A	N/A	N/A	N/A
				1.16%	1.16%				3.51%	3.51%	4.71%	4.71%	18.23%	18.23%	N/A	N/A
CASH EQUIVALENTS																
<i>Bank of ND</i>																
90 Day T-Bill	42,312,543	3.1%	3.6%	0.44%	0.44%	41,880,350	3.2%	3.3%	1.35%	1.35%	1.79%	1.79%	4.50%	4.50%	2.71%	2.42%
				0.38%	0.38%				1.33%	1.33%	1.71%	1.71%	4.00%	4.00%	2.37%	2.25%
TOTAL INSURANCE TRUST	1,343,636,435	100.0%	100.0%	1.29%	1.27%	1,324,090,273	100.0%	100.0%	3.83%	3.76%	5.17%	5.08%	3.82%	3.61%	6.68%	5.32%
POLICY TARGET BENCHMARK				1.16%	1.16%				3.82%	3.82%	5.02%	5.02%	3.72%	3.72%	6.31%	5.45%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) Prior to January 1, 2005, the benchmark was First Boston Convertible Index

(3) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(4) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.